

AIR

MGB-A-8202

SECRET

Chief, Foreign Division M

23 February 1951

Acting Chief of Station, Karlsruhe

Operational

CAISSON-19 - Current Status

1. I looked up Subject in Frankfurt apartment on 20 Feb 51 in order to pay the February rate of his salary (1000 DM West) and inquire about his progress in getting settled.
2. There appeared to exist in his mind some misunderstanding as to the effective date of our salary payments. This and other points I managed to clear up.
 - a. The payment of 1000.—DM West effected in January has been charged against his allowance. It was not meant to be an additional compensation over and beyond the salary we are committed to pay him. The financial losses incurred by subject incident to the ☐ ☐ case were duly considered in estimating his pay and granting him a rather generous allowance.
 - b. Salary payments will run for at least six months. We confidently expect to be able to pay him for an additional six months, all told twelve months. This, however, should not be construed as a final commitment. (Although funds have been allocated covering twelve monthly payments, I deemed it inadvisable to tell him this. Depending on what his assignments are going to be, our salary payments are likely to represent a powerful control factor.)
3. Subject has ^{probably free speech & etc} as yet been unable to find employment. He was interviewed in Duesseldorf by Herr FLICK (German industrialist recently discharged from Landsberg prison) and his associate ROHMER, former Minister of Finance of Land Saxony. He was promised consideration for employment as soon as the property rights of the Flick Concern have been returned to their "rightful owners". I told subject that we would like to be kept posted on his employment prospects and that he should not bind himself prior to consulting us. I did not hold out any hopes, however, that we might be able to aid him in getting placed.
4. Subject's main preoccupation is to obtain a legalization of his status.

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Unless he is acknowledged as a political refugee, or can produce evidence that he owns the necessary capital to start a business, he will be refused essential facilities such as a housing permit. The Wohnungsamt has already intimated that he may be evicted from his apartment. In order to aid Subject's settlement, FOB is going to get him a residential permit through HICOG channels. Necessary steps will also be taken to preclude an eviction.

5. The nature of subject's future assignment was not discussed. I merely pointed out to him that we would expect him to preserve complete discretion in the handling of such assignments. In particular his telling '[]' about these things would be frowned upon. This injunction, however, was not to be taken as an indication of our lacking confidence in '[]'. I also reminded subject, that we had been quite perturbed at his lack of discipline in carrying out instructions while he was still in Berlin. Unless he would curb his propensity to get into scrapes with the police over insignificant issues, we might have to dispense with his services. In cases of this type he should no longer count on us bailing him out. (When I left the building I noticed the police writing down the number of the license of his car, which was parked directly in front of the main entrance to the Frankfurt Opera.)

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